

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		CONFIDENTIAL		5. Lease Serial No. UTU-73700
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		2. Name of Operator QEP UINTA BASIN, INC.		6. If Indian, Allottee or Tribe Name N/A
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		3b. Phone No. (include area code) Ph: 435-781-4331 Fx: 435-781-4329		7. If Unit or CA Agreement, Name and No. N/A
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 2177FNL 2159FEL 40.05166 N Lat, 109.16094 W Lon At proposed prod. zone 656934X 4434898Y 40.051616 -109.160211		9. API Well No. 43-047-36462		8. Lease Name and Well No. BSW 7ML-12-9-24
14. Distance in miles and direction from nearest town or post office* 42 +/- MILES SOUTHEAST OF VERNAL, UT.		10. Field and Pool, or Exploratory UNDESIGNATED Wildcat		11. Sec., T., R., M., or Blk. and Survey or Area Sec 12 T9S R24E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2159' +/-		16. No. of Acres in Lease 1170.00		12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1375' +/-		19. Proposed Depth 6925 MD		13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5414 GL		22. Approximate date work will start		17. Spacing Unit dedicated to this well 40.00
		23. Estimated duration 10 DAYS		20. BLM/BIA Bond No. on file ESB000024

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) JAN NELSON Ph: 435-781-4331	Date 03/21/2005
Title REGULATORY AFFAIRS ANALYST		
Approved by (Signature)	Name (Printed/Typed) BRADLEY G. HILL	Date 03-29-05
Title Office ENVIRONMENTAL SCIENTIST III		

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #55283 verified by the BLM Well Information System
For QEP UINTA BASIN, INC., sent to the Vernal

RECEIVED

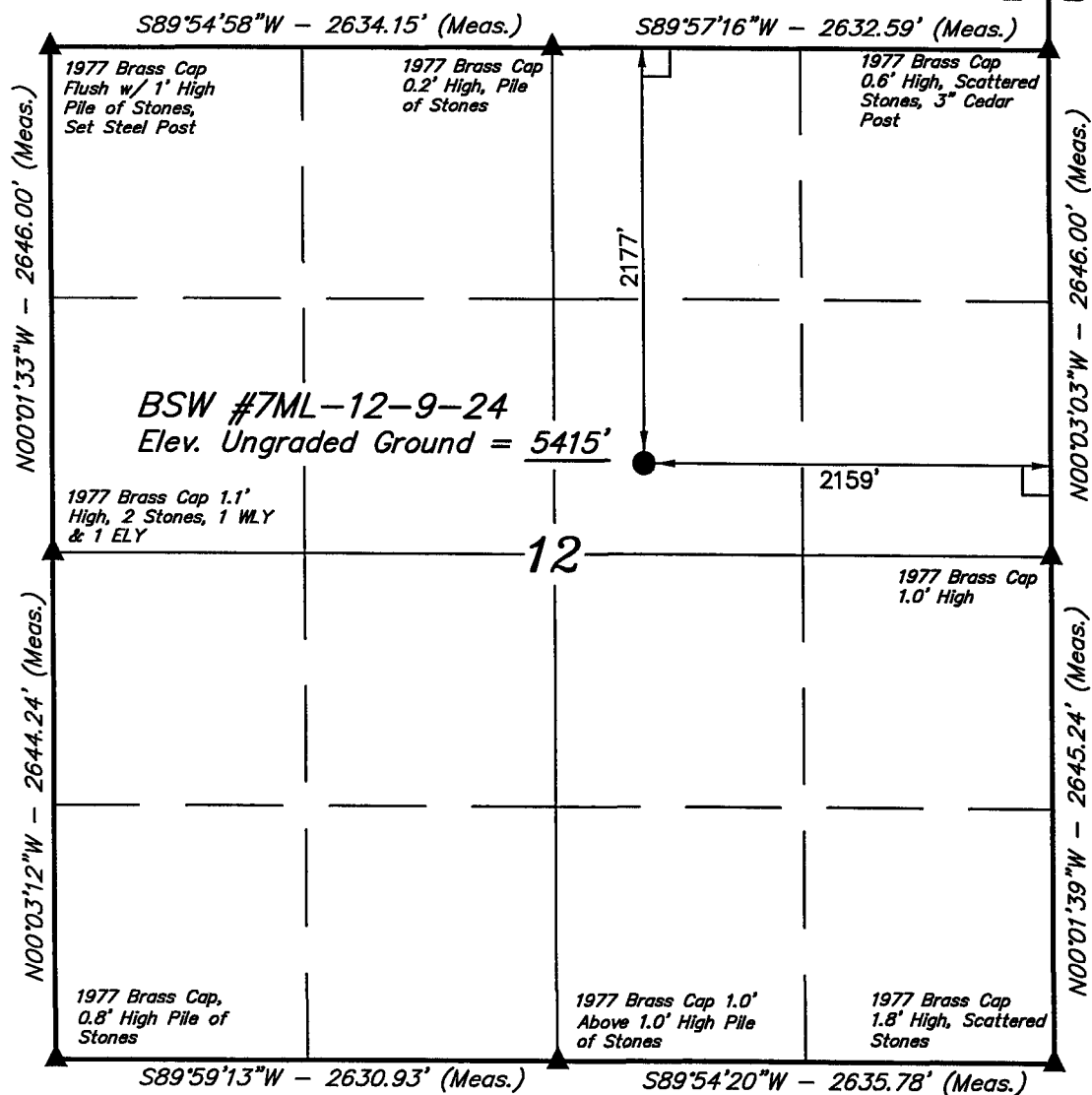
MAR 28 2005

Federal Approval of this
Action is Necessary

CONFIDENTIAL OIL, GAS & MINING

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

R	R
24	25
E	E



L = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)

LATITUDE = 40°03'05.99" (40.051664)
LONGITUDE = 109°09'39.39" (109.160942)

(AUTONOMOUS NAD 27)

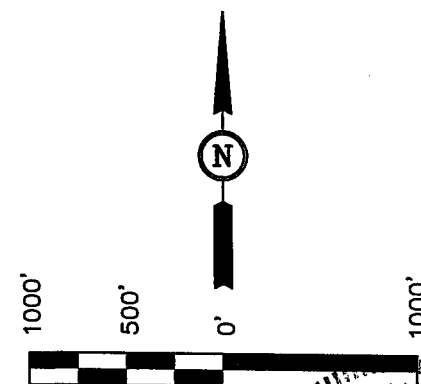
LATITUDE = 40°03'06.11" (40.051697)

LONGITUDE = 109°09'36.97" (109.160269)

Well location, BSW #7ML-12-9-24, located as shown in the SW 1/4 NE 1/4 of Section 12, T9S, R24E, S.L.B.&M. Uintah County, Utah.

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 6, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5350 FEET.

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE
CERTIFICATION

THIS IS TO CERTIFY THAT THE ABOVE PLAN WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UNTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-13-05	DATE DRAWN: 01-21-05
PARTY D.A. T.C. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLR. & PROD.	

Additional Operator Remarks

QEP, Uinta Basin Inc. proposes to drill a well to 6925' to test the MesaVerde. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per BLM and State of Utah requirements

See attached 8-point drilling program.

See Multi point surface use program.

Please be advised that QEP, Uinta Basin Inc. agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond coverage for this well is provided by Bond No.ESB000024. The principal is QEP, Uinta Basin Inc. via surety as consent as provided for the 43 CFR 3104.2.

DRILLING PROGRAM

ONSHORE OIL & GAS ORDER NO. 1 Approval of Operations on Onshore Federal Oil and Gas Leases

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas No. 1, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

1. Formation Tops

The estimated tops of important geologic markers are as follows:

<u>Formation</u>	<u>Depth</u>	<u>Prod. Phase Anticipated</u>
Uinta	Surface	
Green River	1350'	
Wasatch	3440'	Gas
Mesa Verde	4370'	
Buck Tongue	6690'	
TD	6925'	

2. Anticipated Depths of Oil Gas Water and Other Mineral Bearing Zones

The estimated depths at which the top and bottom of the anticipated water, oil, gas. Or other mineral bearing formations are expected to be encountered are as follows:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Oil/Gas	Buck Tongue	6925'

All fresh water and prospectively valuable minerals encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

All water shows and water-bearing sands will be reported to the BLM in Vernal, Utah. Copies of State of Utah form OGC-8-X are acceptable. If no flows are detected, samples will be submitted to the BLM along with any water analyses conducted. Fresh water will be obtained from Wonsits Valley water right #36125 or Red Wash water right # 49-2153 to supply fresh water for drilling purposes.

All water resulting from drilling operations will be disposed of at Red Wash Central Battery Disposal Site; SWSE, Section 27, T7S, R23E or Wonstis Valley Disposal Site; SWNW, Section 12, T8S, R21E.

DRILLING PROGRAM

3. Operator's Specification for Pressure Control Equipment:

- A. 3,000 psi W.P. Double Gate BOP or Single Gate BOP (schematic attached)
- B. Functional test daily
- C. All casing strings shall be pressure tested (0.2 psi/foot or 1500 psi, (or 70% of burst whichever is greater) prior to drilling the plug after cementing; test pressure shall not exceed the internal yield pressure of the casing.
- D. Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 50 percent of internal yield pressure of casing whichever is less. BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc..., for a 3M system and individual components shall be operable as designed.

4. Casing Program

	<u>Depth</u>	<u>Hole Size</u>	<u>Csg Size</u>	<u>Type</u>	<u>Weight</u>
Surface	2700'	12 1/4"	9-5/8"	J-55	36 lb/ft (new) LT&C
TD	6925'	7 -7/8"	4 -1/2"	M-80	11.60 lb/ft (new)LT&C

5. Auxiliary Equipment

- A. Kelly Cock – yes
- B. Float at the bit – no
- C. Monitoring equipment on the mud system – visually and/or PVT/Flow Show
- D. Full opening safety valve on the rig floor – yes
- E. Rotating Head – yes
If drilling with air the following will be used:
- F. The blooie line shall be at least 6" in diameter and extend at least 100' from the well bore into the reserve/blooie pit.
- G. Blooie line ignition shall be provided by a continuous pilot (ignited when drilling below 500').

DRILLING PROGRAM

- H. Compressor shall be tied directly to the blooie line through a manifold.
- I. A mister with a continuous stream of water shall be installed near the end of the blooie lines for dust suppression.

Surface hole will be drilled with air, air/mist, foam, or mud depending on hole conditions. Drilling below surface casing will be with water based drilling fluids consisting primarily of fresh water, bentonite, lignite, caustic, lime, soda ash and polymers. No chromates will be used. It is not intended to use oil in the mud, however, in the event it is used, oil concentration will be less than 4% by volume. Maximum anticipated mud weight is 9.5 ppg.

No minimum quantity of weight material will be required to be kept on location.

PVT/Flow Show will be used from base of surface casing to TD.

Gas detector will be used from surface casing depth to TD.

6. Testing, logging and coring program

- A. Cores – none anticipated
- B. DST – none anticipated

Logging – Mud logging – 4500 to TD
GR-SP-Induction
Neutron Density
MRI

- C. Formation and Completion Interval: Buck Tongue interval, final determination of completion will be made by analysis of logs.
Stimulation – Stimulation will be designed for the particular area of interest as encountered.

DRILLING PROGRAM

7. Cementing Program

<u>Casing</u>	<u>Volume</u>	<u>Type & Additives</u>
Surface	1541sx	Class "G" single slurry mixed to 15.6 ppg, yield = 1.19 cf/sx. Fill to surface with 160 cf (1541sx) calculated. Tail plug used. Allowed to set under pressure
Production	Lead-820sx* Tail-920sx*	Lead/Tail oilfield type cement circulated in place . Tail slurry: Class "G" + gilsonite and additives as required, mixed to 14.8 ppg, yield = 1.34 cf/sx. Fill to 3870' ($\pm 500'$ above production zone). Cement Characteristics: Lead slurry: Class "G" + extender and additives as required, mixed to 11.0 ppg, yield = 3.82 cf/sx. Fill to surface. Tail plug used. Allowed to set under pressure.

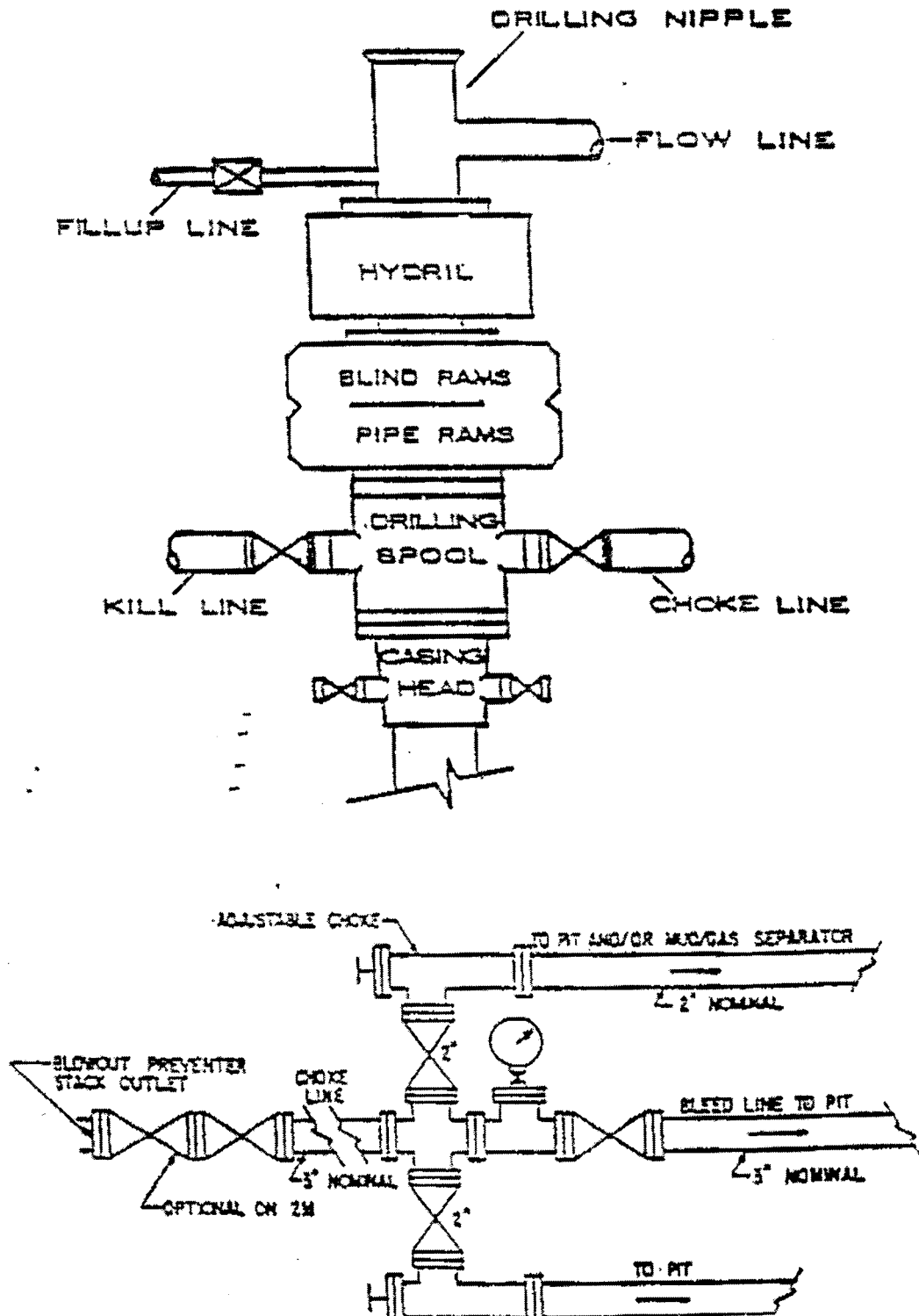
*Final cement volumes to be calculated from caliper log with an attempt to be made to circulate cement to the surface. A bond log will be run across the zone of interest and across zones as required by the authorized officer to insure protection of natural resources.

8. Anticipated Abnormal Pressures and Temperatures, Other Potential Hazards

No abnormal temperatures or pressures are anticipated. No H₂S has been encountered in or known to exist from previous wells drilled to similar depths in the general area. Maximum anticipated bottom hole pressure equals approximately 3003.0 psi. Maximum anticipated bottom hole temperature is 140° F.

DRILLING PROGRAM

SCHEMATIC DIAGRAM OF 3,000 PSI BOP STACK



QEP UINTA BASIN, INC.
BSW 7ML-12-9-24
2177' FNL 2159' FEL
SWNE, SECTION 12, T9S, R24E
UINTAH COUNTY, UTAH
LEASE # UTU-73700

ONSHORE ORDER NO. 1

MULTI – POINT SURFACE USE & OPERATIONS PLAN

An onsite inspection was conducted for the BSW 7ML-12-9-24 on March 11, 2005. Weather conditions were sunny and clear at the time of the onsite. In attendance at the inspection were the following individuals:

Paul Buhler	Bureau of Land Management
Amy Torres	Bureau of Land Management
Jan Nelson	QEP Uinta Basin Inc.
Amy Garcia	QEP Uinta Basin Inc.

1. Existing Roads:

The proposed well site is approximately 42 miles Southeast of Vernal, Utah.

Refer to Topo Maps A and B for location of access roads within a 2 – mile radius.

No improvements will be made to existing access roads.

2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road.

3. Location of Existing Wells Within a 1 – Mile Radius:

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Refer to Topo Map D for the location of the proposed pipeline.

A containment dike will be constructed completely around those production facilities which contains fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of compacted impervious subsoil; hold 110% of the capacity of the largest tank; and, be independent of the back cut. If a Spill Prevention, Control, and Countermeasure (SPCC) Plan is required by the Environmental Protection Agency, the containment dike may be expanded to meet SPCC requirements with approval by the BLM/VFO AO. The use of topsoil of the construction of dikes will not be allowed. All loading lines will be placed inside the berm surrounding tank battery. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded.

5. Location and Type of Water Supply:

Fresh water drilling fluids will be obtained from Wonsits Valley Water Right # 36125, or Red Wash Right # 49-2153.

6. Source of Construction Materials:

Surface and subsurface materials in the immediate area will be utilized. Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

Drill cuttings will be contained and buried in the reserve pit. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be used at the next drill site or will be removed and disposed of at an approved waste disposal facility with 120 days after drilling is terminated. Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

After first production, produced wastewater will be confined to the approved pit or storage tank for a period not to exceed 90 days. During the 90 day period, in accordance with Onshore Order #7, all produced water will be contained in tanks on location and then hauled to Wonsits Valley location in SWNW section 12, T8S, R21E; or Red Wash Disposal Well located in NESW, Section 28, T7S, R22E; or, Red Wash Central Battery Disposal located in SWSE, Section 27, T7S, R23E. Pit reclamation for lined pit will be ruptured when emptied to allow the remaining liquid to be adequately mixed and to promote additional drying of the pit area.

8. Ancillary Facilities:

None anticipated.

9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

A pit liner is required. A felt pit liner will be required if bedrock is encountered.

10. Plans for Reclamation of the Surface:

Topsoil will be stripped and salvaged to provide for sufficient quantities to be respread to a depth of at least 4 to 6 inches over the disturbed areas to be reclaimed. Topsoil shall be stock piled separately from subsoil materials. Topsoil salvaged from the reserve pit shall be stockpiled separately near the reserve pit. Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production. Alternatively, the pit will be pumped dry, the liner folded into the pit, and the pit backfilled. The reserve pit will be reclaimed within 120 days from the date of well completion, weather permitting.

Seed Mix: # 3

11. Surface Ownership:

Bureau of Land Management
170 South 500 East
Vernal, Utah 84078
(435) 781-4400

12. Other Information

A Class III archaeological survey was conducted by Montgomery Archaeology Consultants. A copy of this report was submitted directly to the appropriate agencies by Montgomery Archaeology Consultants. Cultural resource clearance was recommended for this location.

There is a Golden Eagle Stripulation from February 1st through July 15th. No construction or drilling will commence during this period unless otherwise determined by a wildlife biologist that the site is inactive.

No drilling or construction will take place during the Antelope season May 10 thru June 20th.

Authorized Officer determined the facilities will be painted Olive Black, color number 5WA20-6.

Install culvert or low water crossing at major drainage.

Lessee's or Operator's Representative:

Jan Nelson
Red Wash Rep.
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078
(435) 781-4331

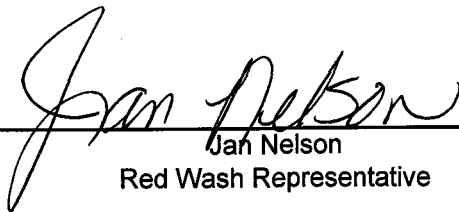
Certification:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil & Gas Orders, the approved plan of operations, and any applicable Notice to Lessees.

QEP Uinta Basin, Inc. will be fully responsible for the actions of their subcontractors.

A complete copy of the approved Application for Permit to Drill will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by QEP Uinta Basin, Inc. its' contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.



Jan Nelson
Red Wash Representative

21-Mar-05

Date

QUESTAR EXPLR. & PROD.

BSW #7ML-12-9-24

**LOCATED IN UINTAH COUNTY, UTAH
SECTION 12, T9S, R24E, S.L.B.&M.**

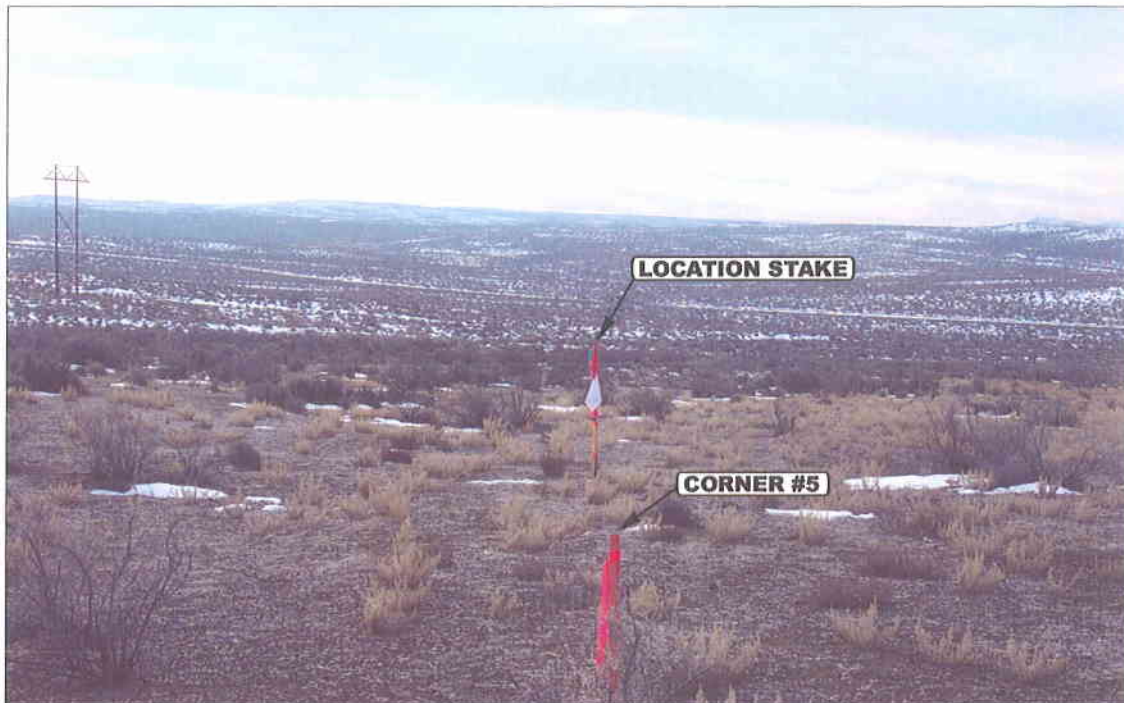


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

**U
E
L
S** Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

01 19 05
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

DRAWN BY: L.K.

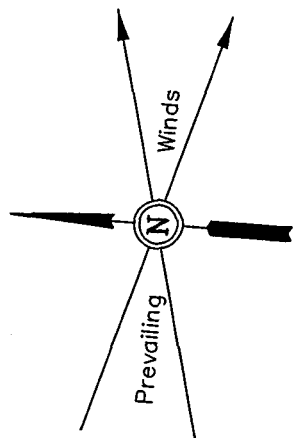
REVISED: 00-00-00

QUESTAR EXPLR. & PROD.

FIGURE #1

LOCATION LAYOUT FOR

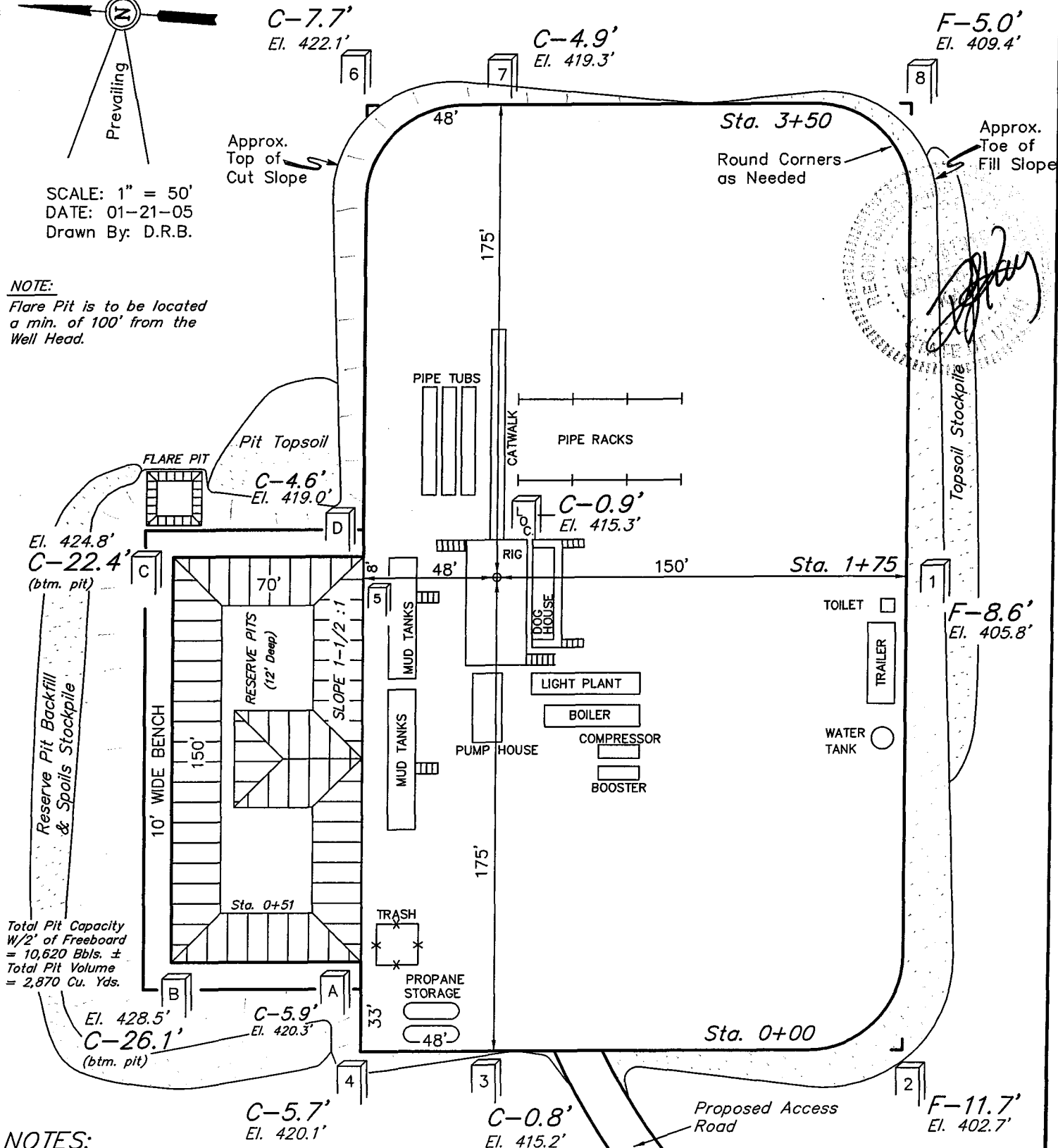
BSW #7ML-12-9-24
SECTION 12, T9S, R24E, S.L.B.&M.
2177' FNL 2159' FEL



SCALE: 1" = 50'
DATE: 01-21-05
Drawn By: D.R.B.

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5415.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 5414.4'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

QUESTAR EXPLR. & PROD.

FIGURE #2

TYPICAL CROSS SECTIONS FOR

BSW #7ML-12-9-24

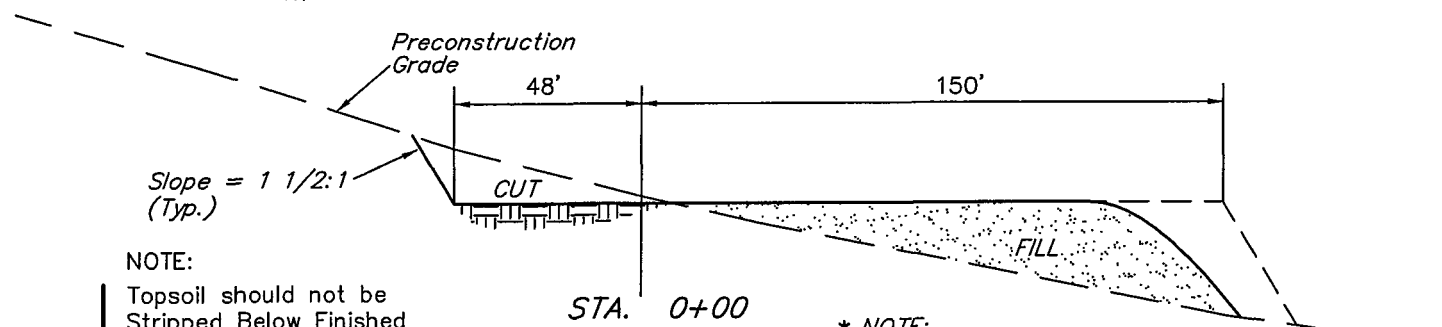
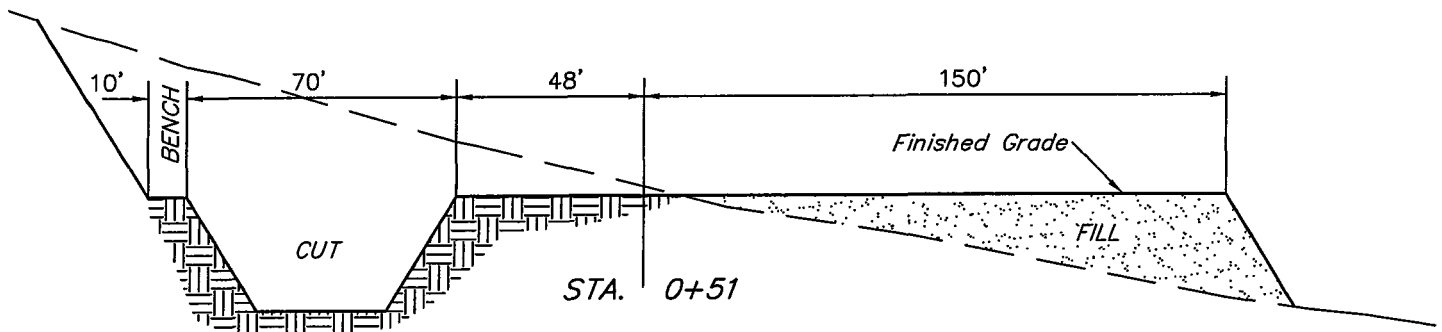
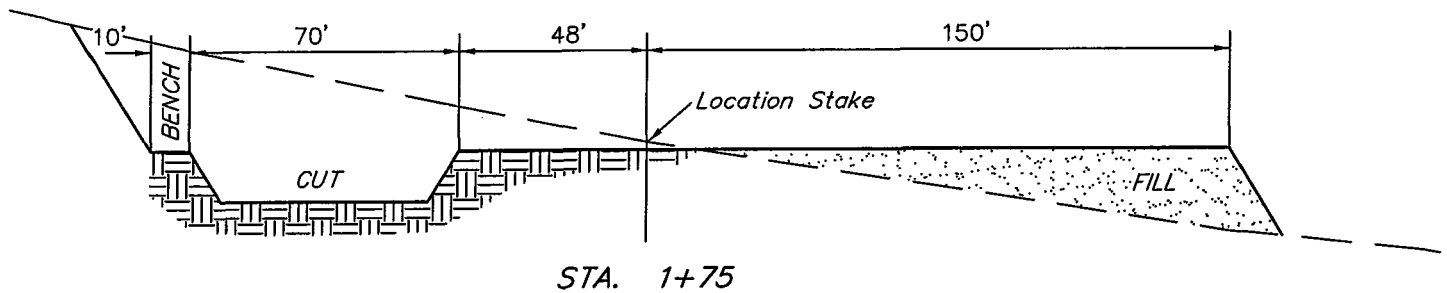
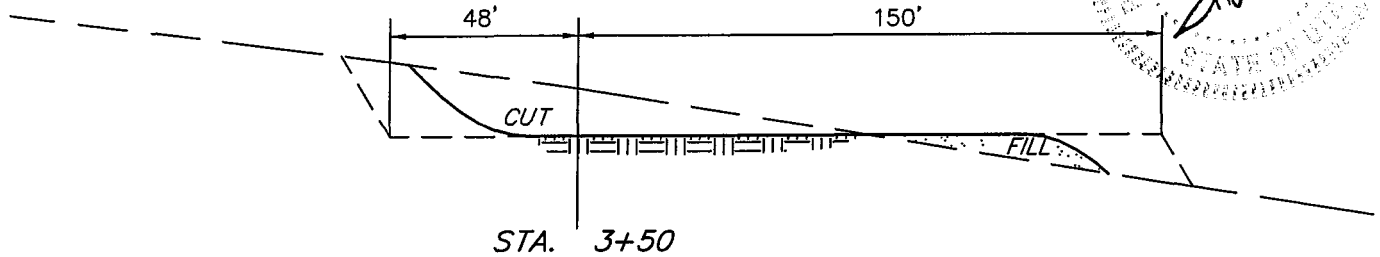
SECTION 12, T9S, R24E, S.L.B.&M.

2177' FNL 2159' FEL

1" = 20'
X-Section
Scale
1" = 50'

DATE: 01-21-05

Drawn By: D.R.B.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

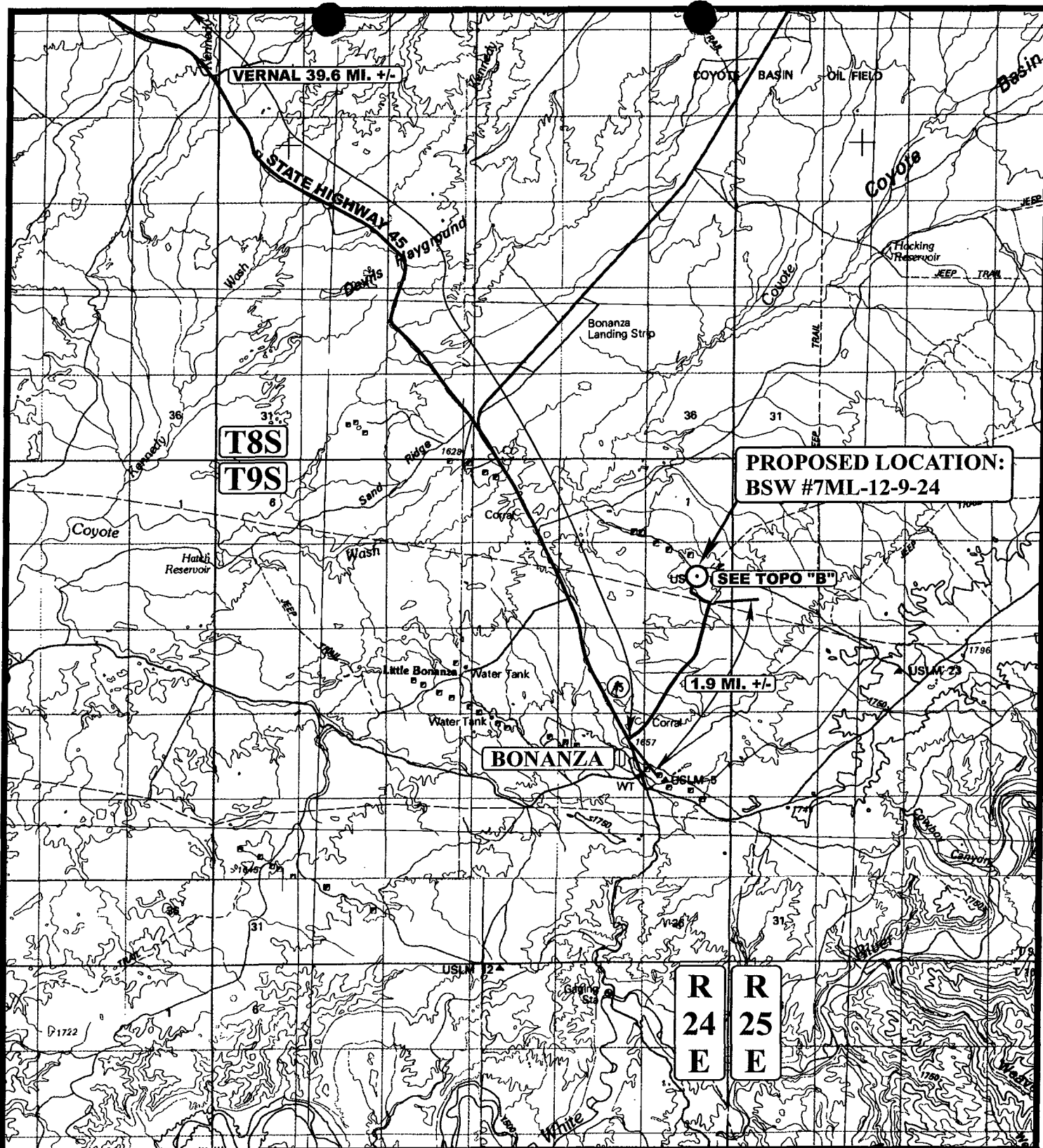
* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,910 Cu. Yds.
Remaining Location	= 11,480 Cu. Yds.
TOTAL CUT	= 13,390 CU.YDS.
FILL	= 9,070 CU.YDS.

EXCESS MATERIAL	= 4,320 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,350 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 970 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



LEGEND:

○ PROPOSED LOCATION



QUESTAR EXPLR. & PROD.

BSW #7ML-12-9-24
SECTION 12, T9S, R24E, S.L.B.&M.
2177' FNL 2159' FEL



Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

01 19 05
MONTH DAY YEAR

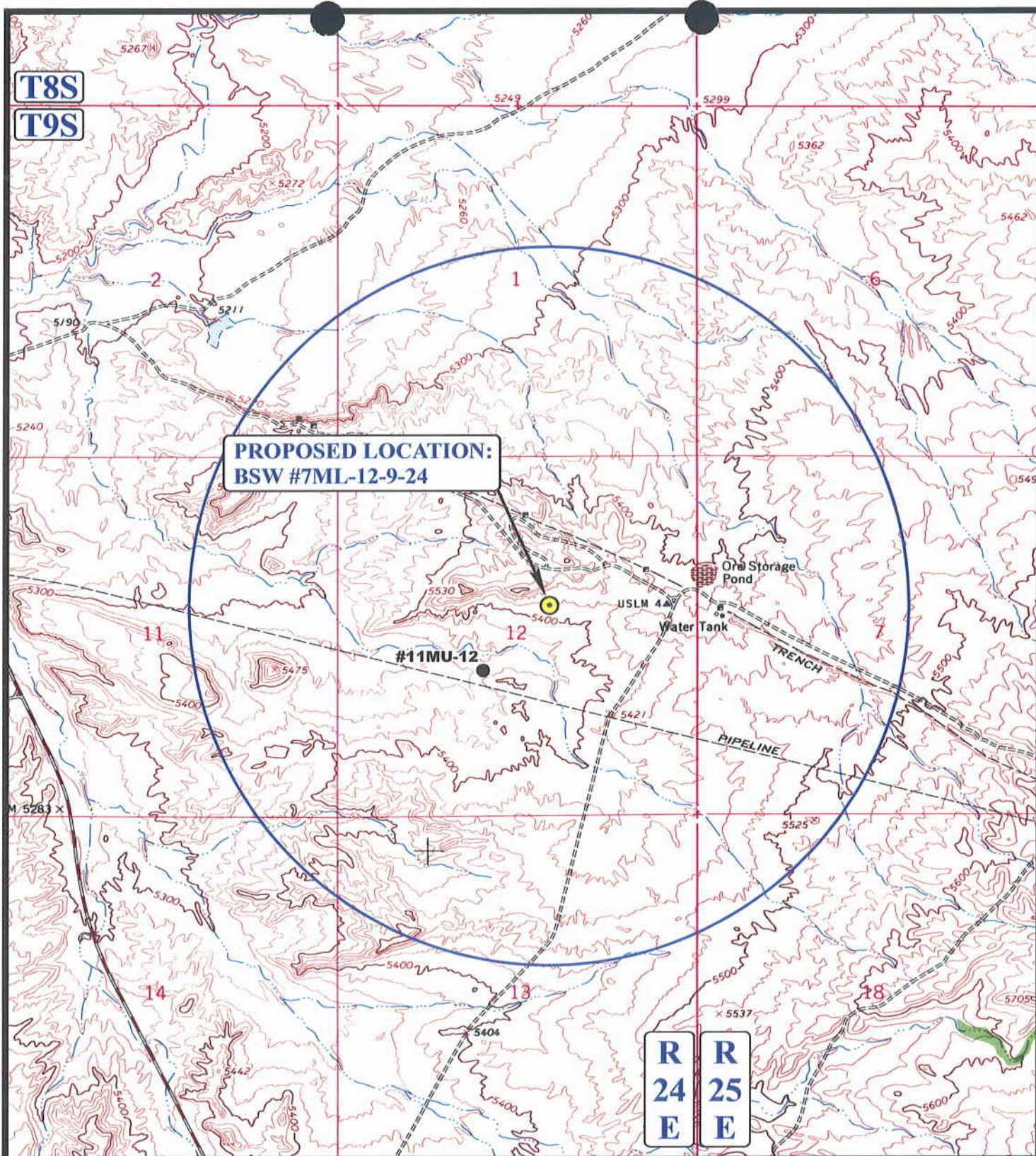
SCALE: 1:100,000

DRAWN BY: L.K.

REVISED: 00-00-00



B
TOPO



LEGEND:

- | | |
|-------------------|-------------------------|
| ○ DISPOSAL WELLS | ○ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |



QUESTAR EXPLR. & PROD.

BSW #7ML-12-9-24
SECTION 12, T9S, R24E, S.L.B.&M.
2177' FNL 2159' FEL



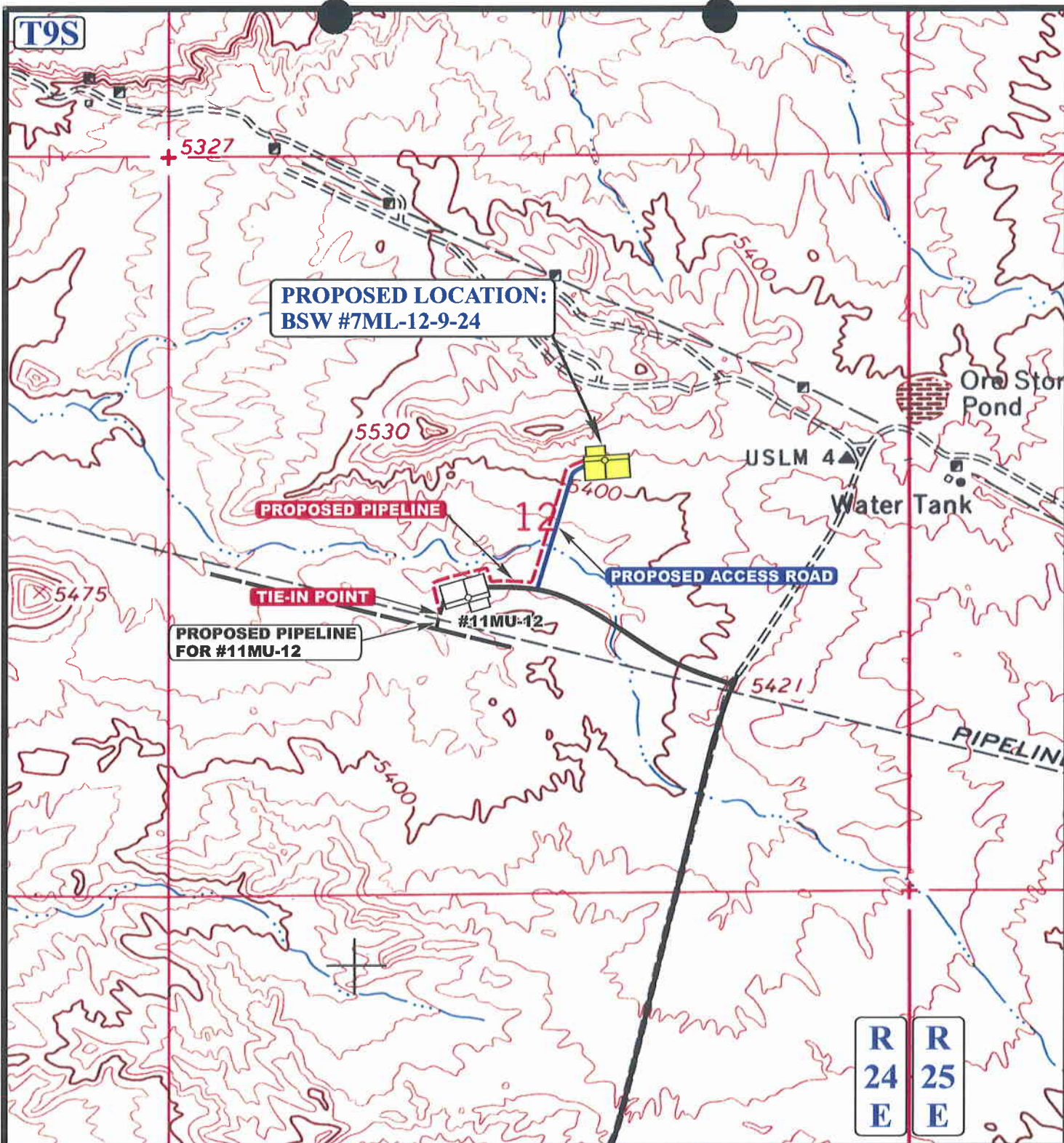
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

01 19 05
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1950' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - PROPOSED PIPELINE



QUESTAR EXPLR. & PROD.

BSW #7ML-12-9-24
SECTION 12, T9S, R24E, S.L.B.&M.
2177' FNL 2159' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

01 19 05
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

D
TOPO

004

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/28/2005

API NO. ASSIGNED: 43-047-36462

WELL NAME: BSW 7ML-12-9-24OPERATOR: QEP UINTA BASIN, INC. (N2460)CONTACT: JAN NELSONPHONE NUMBER: 435-781-4331

PROPOSED LOCATION:

SWNE 12 090S 240E

SURFACE: 2177 FNL 2159 FEL

BOTTOM: 2177 FNL 2159 FEL

UINTAH

WILDCAT (1)

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-73700

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: MVRD

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.05162

LONGITUDE: -109.1602

RECEIVED AND/OR REVIEWED:

- ☒ Plat
- ☒ Bond: Fed[1] Ind[] Sta[] Fee[]
 (No. ESB000024)
- ☒ Potash (Y/N)
- ☒ Oil Shale 190-5 (B) or 190-3 or 190-13
- ☒ Water Permit
 (No. 49-2153)
- ☒ RDCC Review (Y/N)
 (Date: _____)
- ☒ Fee Surf Agreement (Y/N)

LOCATION AND SITING:

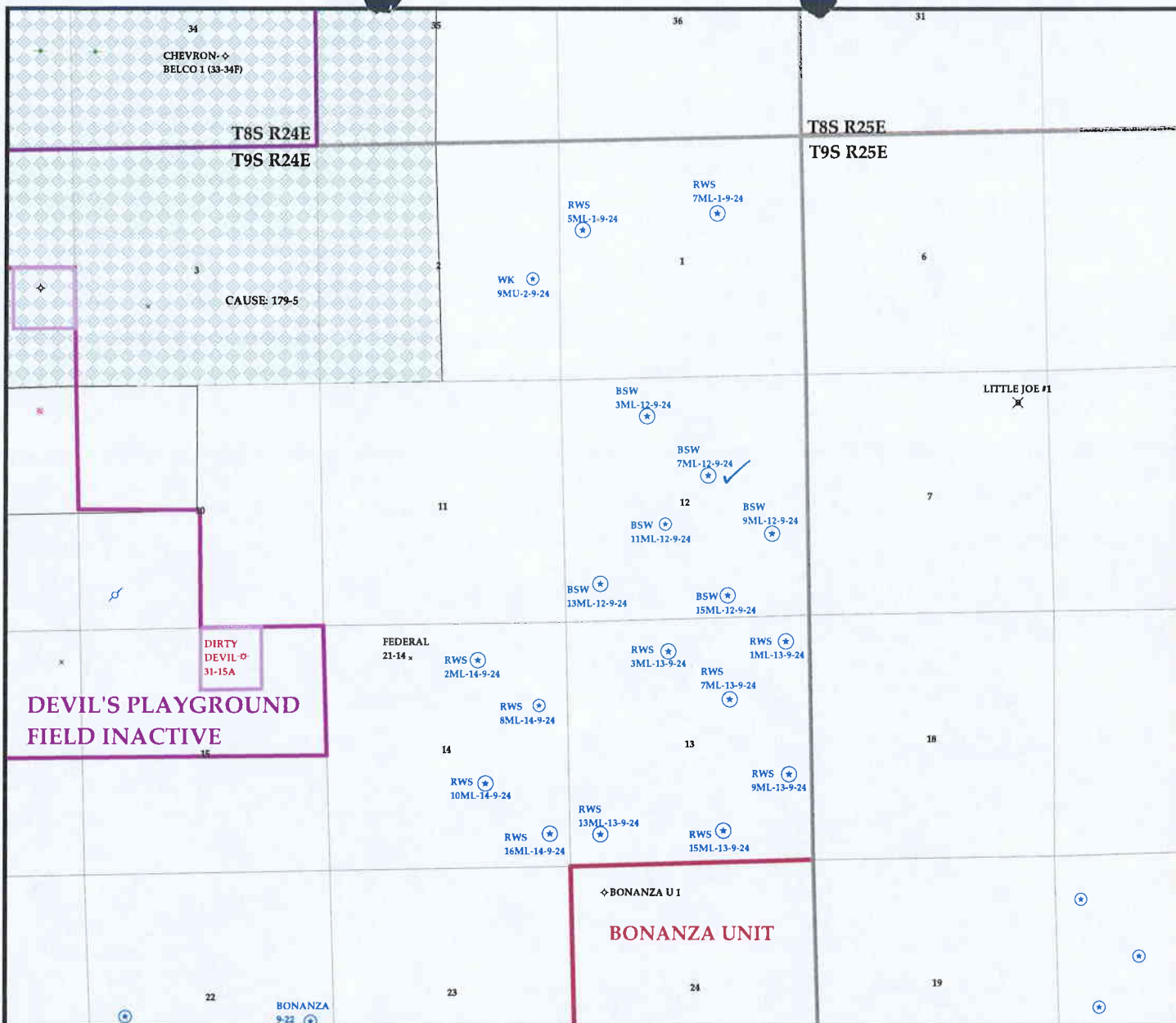
- ☐ R649-2-3.
- Unit _____
- ☒ R649-3-2. General
 Siting: 460 From Qtr/Qtr & 920' Between Wells
- ☐ R649-3-3. Exception
- ☐ Drilling Unit
 Board Cause No: _____
 Eff Date: _____
 Siting: _____
- ☐ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval

2- Spacing Strip



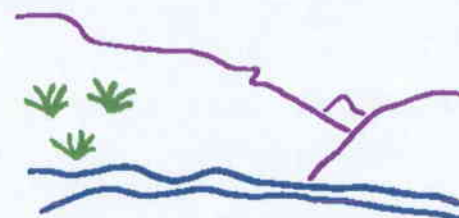
OPERATOR- QEP UINTA BASIN INC (N2460)

SEC. 12 T.9S R.24E

FIELD: WILDCAT (001)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells

- ✱ GAS INJECTION
- ✱ GAS STORAGE
- ✱ LOCATION ABANDONED
- ⊙ NEW LOCATION
- ✧ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ✱ SHUT-IN GAS
- ✱ SHUT-IN OIL
- ✱ TEMP. ABANDONED
- TEST WELL
- △ WATER INJECTION
- ◆ WATER SUPPLY
- ↗ WATER DISPOSAL

Units.shp

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 29-MARCH-2005

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

March 29, 2005

QEP Uinta Basin, Inc.
11002 E 17500 S
Vernal, UT 84078

Re: BSW 7ML-12-9-24 Well, 2177' FNL, 2159' FEL, SW NE, Sec. 12, T. 9 South,
R. 24 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36462.

Sincerely,

A handwritten signature in dark ink, appearing to read "John R. Baza".

John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: QEP Uinta Basin, Inc.

Well Name & Number RWS 7ML-12-9-24

API Number: 43-047-36462

Lease: UTU-73700

Location: SW NE **Sec. 12** **T. 9 South** **R. 24 East**

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

006

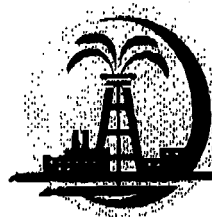
QEP UINTA BASIN, INC.

11002 EAST 17500 SOUTH

VERNAL, UT 84078

(435)781-4331 (phone)

(435)781-4323 (fax)

Fax To: Diana WhitneyFax Number: 801-359-3940From: Jan NelsonNo. of Pages: 4

(including cover sheet) _____

NOTES:

Corrected legal plats.

Thanks

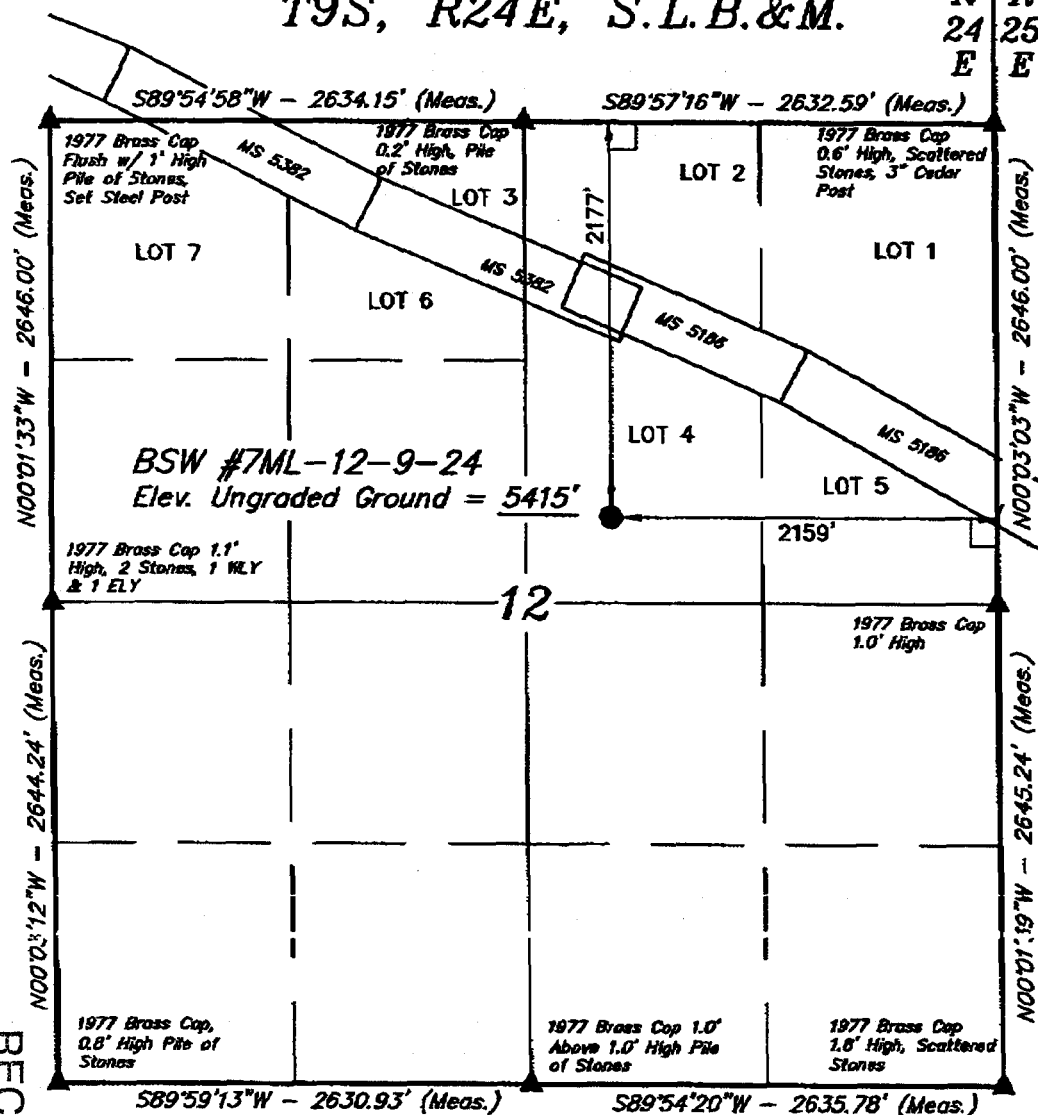
Jan

43-047-36462
95 JAE 12RECEIVED
MAY 1 / 2005
DIV. OF OIL, GAS & MINING

MAY 11 / 2005

RECEIVED

T9S, R24E, S.L.B.&M.

R
24
ER
25
E

BSW #7ML-12-9-24
Elev. Ungraded Ground = 5415'

LEGEND:

- = 90° SYMBOL
 ● = PROPOSED WELL HEAD.
 ▲ = SECTION CORNERS LOCATED.

(AUTONOMOUS NAD 83)
 LATITUDE = 40°03'05.98" (40.051664)
 LONGITUDE = 109°09'39.39" (109.160942)
 (AUTONOMOUS NAD 27)
 LATITUDE = 40°03'06.11" (40.051697)
 LONGITUDE = 109°09'36.97" (109.160269)

QUESTAR EXPLR. & PROD.

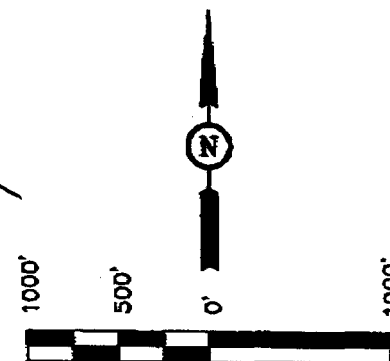
Well location, BSW #7ML-12-9-24, located as shown in the SW 1/4 NE 1/4 of Section 12, T9S, R24E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 45EAM LOCATED IN THE NW 1/4 SW 1/4 OF SECTION 6, T9S, R24E, S.L.B.&M. TAKEN FROM THE BONANZA, QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5350 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

SCALE
CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
 REGISTRATION NO. 181336
 STATE OF UTAH

Revised: 05-16-05 D.R.B.

UTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 01-13-05	DATE DRAWN: 01-21-05
PARTY D.A. T.C. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE QUESTAR EXPLR. & PROD.	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

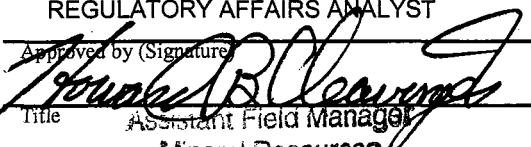
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU73700	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator QEP UINTA BASIN INC		7. If Unit or CA Agreement, Name and No.	
3a. Address 11002 EAST 17500 SOUTH VERNAL, UT 84078		8. Lease Name and Well No. BSW 7ML-12-9-24	
3b. Phone No. (include area code) Ph: 435.781.4331 Fx: 435.781.4329		9. API Well No. 43-047-3104102	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE Lot 4 2177FNL 2159FEL 40.05166 N Lat, 109.16094 W Lon At proposed prod. zone		10. Field and Pool, or Exploratory UNDESIGNATED	
14. Distance in miles and direction from nearest town or post office* 42 +/- MILES SOUTHEAST OF VERNAL, UT.		11. Sec., T., R., M., or Blk. and Survey or Area Sec 12 T9S R24E Mer SLB SME: BLM	
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2159' +/-		12. County or Parish UINTAH	
16. No. of Acres in Lease 1170.88		13. State UT	
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 1375' +/-		17. Spacing Unit dedicated to this well 40.00	
19. Proposed Depth 6925 MD		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KB, RT, GL, etc.) 5414 GL		23. Estimated duration 10 DAYS	
22. Approximate date work will start			

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) JAN NELSON Ph: 435.781.4331	Date 03/21/2005
Title REGULATORY AFFAIRS ANALYST		
Approved by (Signature) 	Name (Printed/Typed)	Date 08/16/2005
Title Assistant Field Manager Mineral Resources	Office	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #55283 verified by the BLM Well Information System
For QEP UINTA BASIN INC, sent to the Vernal
Committed to AFMSS for processing by LESLIE WILCKEN on 03/28/2005 (05LW1487AE)

AUG 22 2005

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

05LW1224AF

NOS 2/9/05

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Operator/Company: QEP Uinta Basin Inc.

Well Name/Number: BSW 7ML-12-9-24

API Number: 43-047-36462

Location: SWNE Sec Tship Rng.: 12, T9S, R24E

Lease Number: UTU-73700

Agreement Name (If Applicable): N/A

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware that fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

Please submit an electronic copy of all logs run on this well in LAS format. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF or other).

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Michael Lee (435) 828-7875
Petroleum Engineer

Matt Baker (435) 828-4470
Petroleum Engineer

BLM FAX Machine (435) 781-4410

Company/Operator: QEP, Uinta Basin, Inc

API Number 43-047-36462

Well Name & Number 7ML-12-9-24

Lease number: U-73700

Location: SWNE Sec, 12, T.9S. R. 24E.

Surface Ownership: BLM

Date NOS Received: 2/9/05

Date APD Received: 3/21 /05

1. Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
2. As a Best Management Practice (BMP), the pipeline would be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).
3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above-ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

CONFIDENTIAL

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS <small>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.</small>		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-73700
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
		7. UNIT or CA AGREEMENT NAME: N/A
		8. WELL NAME and NUMBER: BSW 7ML-12-9-24
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		9. API NUMBER: 4304736462
2. NAME OF OPERATOR: QEP UINTA BASIN, INC		10. FIELD AND POOL, OR WILDCAT: UNDESIGNATED
3. ADDRESS OF OPERATOR: 11002 E. 17500 S. CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-4331
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2177 FNL 2159 FEL (LOT 4) COUNTY: UINTAH QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWNE 12 9S 24E STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

QEP Uinta Basin, Inc. hereby requests a 1 year extension on the BSW 7ML-12-9-24

Approved by the
Utah Division of
Oil, Gas and Mining

 Date: 03-21-06
 By: [Signature]

NAME (PLEASE PRINT) <u>Jan Nelson</u>	TITLE <u>Regulatory Affairs</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/10/2006</u>

(This space for State use only)

RECEIVED
MAR 15 2006
 DIV. OF OIL, GAS & MINING

**Application for Permit to Drill
Request for Permit Extension
Validation**

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-36462
Well Name: BSW 7ML-12-9-24
Location: 2177FNL 2159FEL LOT4 SWSE SEC. 12 T9S R24E.
Company Permit Issued to: QEP UINTA BASIN, INC.
Date Original Permit Issued: 3/29/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes ☐ No ☒

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes ☐ No ☒

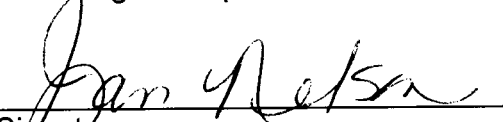
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes ☐ No ☒

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes ☐ No ☒

Has the approved source of water for drilling changed? Yes ☐ No ☒

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes ☐ No ☒

Is bonding still in place, which covers this proposed well? Yes ☒ No ☐


Signature

3/10/2006
Date

Title: REGULATORY AFFAIRS

Representing: QEP UINTA BASIN, INC.

RECEIVED
MAR 15 2006
DIV. OF OIL, GAS & MINING



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 16, 2007

Jan Nelson
QEP Uinta Basin Inc.
11002 East 17500 South
Vernal, Utah 84078

Re: APDs Rescinded at the request of QEP Uinta Basin

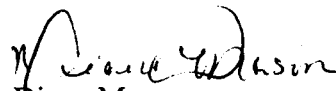
Dear Ms. Nelson:

Enclosed find the list of APDs that you requested to be rescinded to QEP Uintah Basin Inc. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective April 13, 2007.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,


Diana Mason
Environmental Scientist

cc: Well File
Bureau of Land Management, Vernal

Page 2
April 16, 2007
Subject:

RWS 7ML-1-9-24
RWS 5ML-1-9-24
RWS 16ML-14-9-24
RWS 10ML-14-9-24
RWS 2ML-14-9-24
BSW 15ML-12-9-24
BSW 13ML-12-9-24
BSW 7ML-12-9-24
BSW 3ML-12-9-24
BSW 15ML-13-9-24
BSW 13ML-13-9-24
BSW 9ML-13-9-24
BSW 7ML-13-9-24
BSW 3ML-13-9-24



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410



IN REPLY REFER TO:

3160

UT08300

February 14, 2008

Jan Nelson

Questar Exploration & Production, Co.

11002 East 17500 South

Vernal, UT 84078

43-047-36462
Re: Notice of Expiration
Well No. BSW 7ML-12-9-24
SWNE Lot 4, Sec. 12, T9S, R24E
Uintah County, Utah
Lease No. UTU-73700

Dear Ms. Nelson:

The Application for Permit to Drill the above-referenced well was approved on August 16, 2005. No extension of the original APD was requested. According to our records, no known activity has transpired at the approved location. In view of the foregoing, this office is notifying you that the approval of the referenced application has expired. If you intend to drill at this location in the future, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

cc: UDOGM – Diana Mason

RECEIVED

FEB 20 2008

DIV. OF OIL, GAS & MINING